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CONTACT: BRENDAN DALY AMY STILWELL TODD GLASS (202) 395-3230

United States Delegation Visits South Africa and Nigeria to Strengthen Trade Relations and Promote Economic Growth and Opportunity in Africa

Deputy United States Trade Representative Susan G. Esserman arrives in South Africa today, where she will lead a U.S. delegation to Durban and Johannesburg until Saturday, and to Lagos and Abuja, Nigeria from June 24 to 27.

During the official visit to South Africa, Ambassador Esserman will participate in the World Economic Forum's Southern African Economic Summit, and she will meet with African trade ministers, senior African officials and public and private sector representatives to review the many benefits and opportunities offered to African countries and businesses under the recently-enacted African Growth and Opportunity Act (AGOA), and other U.S. market access initiatives. In Nigeria, she will open the Inaugural Meeting of the U.S.- Nigeria Trade and Investment Council.

"The Africa Growth and Opportunity Act will stimulate market-led investment, economic growth, and rising living standards in some of the world's poorest countries, and we are pleased that so many African public and private sector leaders have expressed such an overwhelming and positive response to it," said Ambassador Esserman. "We are now working to ensure that information about the new law and its potential benefits is widely available both in the United States and in Africa. We believe the legislation will provide significant incentives and opportunities for tradebased economic growth throughout Africa, and will strengthen U.S.-Africa business ties."

In Durban and Johannesburg, Ambassador Esserman will co-host two seminars with South African Minister of Industry and Trade Alec Erwin on implementation of AGOA and other U.S. market access initiatives. The seminars are part of the Administration's on-going efforts to reach

out to sub-Saharan African countries to assist them in understanding the requirements and potential opportunities of the new law. The African Growth and Opportunity Act provides greater duty-free access to U.S. markets for countries in sub-Saharan Africa and is expected to stimulate market-led investment, economic growth, and rising living standards in some of the world's poorest countries.

In addition to these seminars, Ambassador Esserman will lead the U.S. Delegation to the World Economic Forum's Southern Africa Economic Summit and hold bilateral meetings with African leaders and trade ministers from a number of sub-Saharan African countries. A primary objective of these meetings will be to continue dialogue and consultations with sub-Saharan African countries on World Trade Organization (WTO) issues, including agriculture, services, and institutional reform of the WTO. Ambassador Esserman will also address the U.S. and South African business community and civil society representatives at the Ron Brown Center in Johannesburg.

In Nigeria, Ambassador Esserman will lead the U.S. Delegation at the Inaugural Meeting of the U.S.- Nigeria Trade and Investment Council, which was created under the Trade and Investment Framework Agreement signed in February by U. S. Trade Representative Charlene Barshefsky and the Vice President of Nigeria, Atiku Abubakar. The Trade and Investment Council will examine, among other items, the African Growth and Opportunity Act, agriculture trade issues, and ways to boost overall U.S.- Nigeria trade and investment.

"Supporting Nigeria, and its democratically-elected government, is a priority for the Clinton Administration. This first meeting of the TIFA Council will permit us to develop specific strategies to enhance our trade and investment relations," Ambassador Esserman said.

Ambassador Esserman will also meet with Vice President Abubakar, trade officials, and members of parliament. In Lagos, she will consult with representatives of the U.S. and Nigerian business communities. On June 27, Ambassador Esserman will launch a U.S.-sponsored National WTO Workshop, which will provide technical assistance to government officials and the private sector to facilitate Nigeria's full integration into the world trading system.

Background

The African Growth and Opportunity Act was signed by President Clinton on May 18. The Act provides for preferential access (including duty-free treatment) to the U.S. market for certain products from eligible sub-Saharan African countries. The Act also provides for other measures, such as the creation of an U.S.-sub-Saharan Africa Economic Forum, to enhance the dialogue and to strengthen economic and trade relations between the U.S. and African countries.

The United States and South Africa have a Trade and Investment Framework Agreement under which the governments committed to working to strengthen trade and investment ties. Two-way trade was approximately \$5.8 billion in 1999, with \$2.6 billion in U.S. exports to South Africa and \$3.2 billion in U.S. imports from South Africa.

The U.S.-Nigeria Trade and Investment Framework Agreement signed in Washington, D.C. on

February 16 creates a Council on Trade and Investment composed of representatives of both governments, and establishes a structured dialogue for developing specific steps to remove impediments and to develop strategies to increase bilateral trade and investment flows between the two countries. Nigeria is the United States' largest trading partner in sub-Saharan Africa and its fifth largest supplier of oil in the world. Two-way trade was just under \$5 billion in 1999, with U.S. exports to Nigeria totaling more than \$628 million.